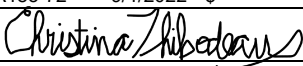


TDX Manley Generating, LLC.
Cost of Power Adjustment (COPA)/ Small Facility Power
Purchase Rate (SFPPR)/ Power Cost Equalization (PCE) Update
Memorandum

Date: **December 12, 2022**

Utility Name TDX Manley Generating, LLC	Utility File No. TA184-72	Date Filed: November 15, 2022				
Tariff Recommendations:						
Statutory Deadline: December 30, 2022	Staff Recommended Effective Date: January 1, 2023					
<p>Staff recommends the Commission:</p> <ol style="list-style-type: none"> Suspend TA184-72 into Docket No. U-22-006. Approve the following tariff sheets on an interim and refundable basis: <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">Tariff Sheet No. 54</td> <td>Filed on Nov 15, 2022</td> </tr> <tr> <td>Tariff Sheet No. 53</td> <td>Filed on Nov 15, 2022</td> </tr> </table> <p style="text-align: center;">Side-by-side Tariff Sheets attached as Appendix 4</p>			Tariff Sheet No. 54	Filed on Nov 15, 2022	Tariff Sheet No. 53	Filed on Nov 15, 2022
Tariff Sheet No. 54	Filed on Nov 15, 2022					
Tariff Sheet No. 53	Filed on Nov 15, 2022					
COPA SUMMARY						
Prior Commission Determination TA Number and Effective Date	Prior Commission Determination (\$/kWh)	Staff Recommended Determination (\$/kWh)				
TA183-72 9/1/2022	\$ 0.5384	\$ 0.4210				
		Change (\$/kWh) \$ (0.1174)				
SFPPR Summary						
Prior Commission Determination TA Number and Effective Date	Prior Commission Determination (\$/kWh)	Staff Recommended Determination (\$/kWh)				
TA183-72 9/1/2022	\$ 0.4710	\$ 0.4979				
		Change (\$/kWh) \$ 0.0269				
PCE SUMMARY						
Prior Commission Determination TA Number and Effective Date	Prior Commission Determination (\$/kWh)	Staff Recommended Determination (\$/kWh)				
Residential TA183-72 9/1/2022	\$ 0.7640	\$ 0.7640				
Commercial TA183-72 9/1/2022	\$ 0.7640	\$ 0.7640				
		Change (\$/kWh) \$ -				






Signed:



Christina Thibodeaux

Utility Tariff Analyst

Reasons for the above recommendations: See Attached Memorandum

	Date, if different from 12/12/2022	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT*
Kurber		 for KK		
Doyle				
Pickett				
Sullivan				
Wilson				

Special Instructions to Staff:

* If this column is initialed, Staff will contact the Commissioner for the statement. Otherwise, dissent will be noted at the close of the By Direction Letter or Order.

**TDX Manley Generating, LLC.
COPA / SFPPR / PCE Update
Memorandum**

To: Keith Kurber II, Chairman
Robert A. Doyle
Robert M. Pickett
Daniel A. Sullivan
Janis W. Wilson

Date: December 12, 2022

File: TA184-72

Utility: TDX Manley Generating, LLC

From: Christina Thibodeaux

Subject: COPA, PCE, SFPPR

COPA Comments:

Staff reviewed this tariff filing to ensure compliance with applicable regulations (3 AAC 48.200-3 AAC 48.430). Staff also reviewed proposed tariff sheets to ensure the stated text is easily understood, and the tariff provisions clearly and comprehensively describe and address the situation to which the tariff provision applies. Proposed revisions to COPA surcharges are reviewed under 3 AAC 52.504, which requires information supporting entries in the balancing account for the historical period, and support for projections for the future period.

Staff Notes:

Appendix 2 shows the estimated fuel costs increased from \$64,689.01 to \$78,108.55, the estimated balancing account decreased from \$5,685.04 to (\$4,643.20), and the estimated sales increased from 130,712 kWh to 174,495 kWh. The upward pressure from the increase in estimated costs is offset by the downward pressure from the increase in estimated sales and decrease in the estimated balancing account balance. The result is a decrease to TMG's COPA from \$0.5384/kWh to \$0.4210/kWh.

Staff Recommendation:

The Commission should approve Tariff Sheet No. 54, filed November 15, 2022, by TDX Manley Generating, LLC in TA184-72 on an interim and refundable basis. The effective date of the tariff sheet should be January 1, 2023.

SFPPR Comments:

TMG's tariff provides that the rate at which the Utility will purchase energy from Qualifying Facilities with a design capacity of 100 kW or less is calculated based upon the amount of diesel generation used in the most recent quarter, updated to reflect the current price of fuel, divided by the number of kWh sold attributable to diesel generation.

Staff Notes:

TMG proposes a SFPPR of \$0.4979/kWh, which is a increase of \$0.0269/kWh from the previously approved SFPPR of \$0.4710/kWh.

Staff Recommendation:

The Commission should approve Tariff Sheet No. 53, filed November 15, 2022, by TDX Manley Generating, LLC in TA184-72 on an interim and refundable basis. The effective date of the tariff sheet should be January 1, 2023.

PCE Comments:

Proposed adjustments to PCE amounts are evaluated under 3 AAC 52.600-690. Each participating regulated electric utility is required to submit revised PCE amounts in conjunction with COPA surcharge adjustments. The utility must provide information supporting the request for the PCE amount revision. Adjustments will be made to the PCE amounts if the utility does not achieve the generation efficiency and line loss standards set out in 3 AAC 52.620. If a utility fails to meet the generation efficiency standards (kWh/gallon), Staff will impute the number of gallons that should have been consumed. Because 3 AAC 52.610(f) provides no guidance on the method of imputing the number of gallons that should have been consumed, Staff uses the method prescribed for non-regulated utilities in 3 AAC 52.610(g)(1)(B). Staff reviews the line loss for each reported month to determine if the 12% line loss standard has been met; if it has not, Staff reviews the annual line loss. If Staff determines that both the monthly and annual line loss standards have not been met Staff will impute the number of kWh that should have been sold. The resulting imputed sales and/or generation is then used to calculate an adjusted balancing account balance which is used in determining the total fuel power costs used in the calculation of the PCE amounts.

Staff Notes:

Staff notes that TMG met the regulatory generation efficiency standard and line loss standard. TMG proposes no change to its PCE, which remains at the statutory maximum of \$0.7640/kWh.

TDX Manley Generating, LLC.
Cost of Power Adjustment (COPA)/ Small Facility Power
Purchase Rate (SFPPR)/ Power Cost Equalization (PCE) Update
Memorandum

Suspension into U-22-006:

TMG currently has a general rate case pending before the Commission in Docket No. U-22-006. In that docket, the Commission granted TMG's request for interim and refundable rate relief (including customer and energy charges), effective March 1, 2022. The interim and refundable customer and energy charges approved in Order No. U-22-006(1) are used in the utility's PCE calculations in TA184-72. TMG proposes no change to its PCE amounts with TA184-72, which remains at the statutory maximum, and did not file an updated tariff sheet. Staff believes that the instant filing should be suspended into Docket No. U-22-006 to ensure that if there are refunds due at the conclusion of Docket No. U-22-006, the PCE can be recalculated using the fuel costs proposed in TA184-72 for the period the filing is effective. Therefore, Staff recommends the Commission suspend TA184-72 into Docket No. U-22-006.

TDX Manley Generating, LLC
Calculation and Comparison of 500 kWh Bill
TA184-72

Customer Bills	Prior Determination (\$/kWh)	Updated Determination (\$/kWh)	Change
Surcharge (\$/kWh)	\$0.5384	\$0.4210	(\$0.1174)
PCE (\$/kWh)	\$0.7640	\$0.7640	\$0.0000
500 kWh Customer Bill			
Energy @ \$0.7680/kWh	\$384.00	\$384.00	\$0.00
Customer Charge	\$25.55	\$25.55	\$0.00
Regulatory Cost Charge @ \$0.000893/kWh	\$0.45	\$0.45	\$0.00
Surcharge Amount (\$)	\$269.20	\$210.50	(\$58.70)
PCE Credit Amount (\$)	(\$382.00)	(\$382.00)	\$0.00
Total Customer Bill (\$)	\$297.20	\$238.50	(\$58.70)

TDX Manley Generating, LLC
COST OF POWER ADJUSTMENT
TA184-72

Calculation of Cost of Power Adjustment			
Line	Description	Prior Determination (\$/kWh)	Updated Determination (\$/kWh)
A	Estimated Per Unit Fuel Cost	\$ 5.04	\$ 5.13
B	Estimated Fuel Consumption	12,835	15,226
C	Estimated Per Unit Power Cost	\$ -	\$ -
B	Estimated Power Consumption	-	-
D	Total Estimated Fuel and Power Costs ((A*B)+(C*D))	\$ 64,689.01	\$ 78,108.55
E	Estimated Balancing Account Balance	\$ 5,685.04	\$ (4,643.20)
F	Total (D+E)	\$ 70,374.05	\$ 73,465.35
G	Estimated Retail Sales	130,712	174,495
H	Projected Cost of Power (F/G)	\$ 0.5384	\$ 0.4210
I	Base Cost of Power	\$ -	\$ -
J	Cost of Power Adjustment Amount (H-I)	\$ 0.5384	\$ 0.4210

Comments	
Staff notes the base cost of power changed to \$0.00 with Order No. U-17-92(14), effective November 1, 2018.	

Actual Costs			
	Prior Determination	Updated Determination	Change
Per Unit Fuel Cost	\$ 4.00	\$ 4.93	\$ 0.93
Total Fuel Cost	\$ 39,739.05	\$ 57,438.45	\$ 17,699.40
Per Unit Power Cost	\$ -	\$ -	\$ -
Total Power Cost	\$ -	\$ -	\$ -
Balancing Account	\$ 5,685.04	\$ (4,643.20)	\$ (10,328.24)

Actual Revenues			
	Prior Determination	Updated Determination	Change
Sales	106,293	119,962	13,669.00
COPA Surcharge Revenues	\$ (39,923.65)	\$ (58,147.00)	(18,223.35)
Base Cost Revenues	\$ -	\$ -	0.00

TDX Manley Generating, LLC
POWER COST EQUALIZATION
TA184-72

Calculation of Power Cost Equalization			
Line	Description	Prior Commission Determination (\$/kWh)	Updated Commission Determination (\$/kWh)
A	Non-Fuel Power Costs	0.7198	0.7198
B	Fuel Power Costs	0.4890	0.4210
C	Total Power Costs	1.2088	1.1408
D	Total Costs Less \$0.19580/kWh	1.0130	0.9450
E	95% of Total Power Costs	0.9624	0.8978
F	Statutory Maximum [(1-0.19580)*0.95]	0.7640	0.7640
G	Lesser of E or F	0.7640	0.7640
H	Customer Class Rate		
	Residential	1.0962	1.0282
	Large Commercial	1.0192	0.9512
I	Power Cost Equalization - Lesser of G or H		
	Residential	0.7640	0.7640
	Large Commercial	0.7640	0.7640
	Power Cost Equalization - After Reduction	100%	100%
J	Residential	0.7640	0.7640
	Large Commercial	0.7640	0.7640

Amendment to Allowable Costs		
Line	Description	Amount
1	NON-FUEL COSTS - U-17-092(13)	
2	Allowable Non-Fuel Cost	\$ 304,699
3	Twelve Month Total kWh Sales	423,824
4	Regulatory Cost Charge	\$ 0.000893
5		0.7198
6	FUEL COSTS	
7	Current Fuel Price	\$ 5.13
8	Estimated Fuel Consumption (gallons)	15,226
9	Estimated kWh Sales (kWh)	174,495
10	Balancing Account Balance (imputed)	(4,643.30)
11	Total Fuel Power Costs	0.4210
Surcharge Calculation		
Line	Description	Amount
1	Total Estimated Fuel Power Costs	78,109
2	Balancing Account Balance	\$ (4,643.30)
3	Total	\$ 73,466
4	Estimated Retail Sales	174,495
5	Projected Cost of Power	0.4210
6	Base Cost of Power	-
7	Surcharge	\$ 0.4210

Calculation of Average Customer Class Rate per kWh								
Line	kWh (by Block)	Rate (\$/kWh)	Customer Charge	COPA Surcharge (\$/kWh)	RCC (\$/kWh)	Total Rate (\$/kWh)	Total (\$)	Average Rate (\$/kWh)
1	Residential & Small Comm.	0.7680	25.55	0.4210	0.000893	1.1899	917.98	1.2240
3	Commercial & Self Generation	0.6570	51.09	0.4210	0.000893	1.0789	860.27	1.1470
								Average Rate Less \$0.19580/kWh (\$/kWh)
								1.0282
								0.9512

Signature: Bob Doyle
Bob Doyle (Dec 12, 2022 08:55 AKST)

Email: bob.doyle@alaska.gov

Signature: Robert M Pickett

Email: bob.pickett@alaska.gov

Signature: Daniel Sullivan
Daniel Sullivan (Dec 12, 2022 12:29 AKST)

Email: daniel.sullivan@alaska.gov

Signature: Janis W. Wilson
Janis W. Wilson (Dec 12, 2022 12:38 AKST)

Email: janis.wilson@alaska.gov

RCA No. 72 46th Revision Sheet No. 53

Cancelling 45th Revision Sheet No. 53

RECEIVED**SEP 02 2022**STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA**TDX MANLEY GENERATING, LLC**ELECTRIC UTILITY
SCHEDULE OF FEES AND CHARGES**Small Facility Power Purchase Rate**

The rate at which the Utility will purchase energy from Qualifying Facilities with a design capacity of 100 kW or less is calculated based upon the amount of diesel generation used in the most recent quarter, updated to reflect the current price of fuel, divided by the number of kWh sold in the most recent quarter.

A.	Number of gallons consumed		9,933	gallons	R
B.	Current fuel price		\$	5.04	\$/gallon I
C.	Total Fuel Costs	A x B	\$	50,063	I
D.	kWh sold		106,293	kWh	R
E.	Small Facility Power Purchase Rate	C / D	47.10	¢/kWh	I

Pursuant to U-22-006(8)

Tariff Advice: TA183-72

Effective: **September 1, 2022**Issued by : **TDX MANLEY GENERATING, LLC**

By : John G. Lyons

Title : TDX Power President

RCA No. 72 47th Revision Sheet No. 53

Cancelling 46th Revision Sheet No. 53

**TDX MANLEY GENERATING, LLC**ELECTRIC UTILITY
SCHEDULE OF FEES AND CHARGES**Small Facility Power Purchase Rate**

The rate at which the Utility will purchase energy from Qualifying Facilities with a design capacity of 100 kW or less is calculated based upon the amount of diesel generation used in the most recent quarter, updated to reflect the current price of fuel, divided by the number of kWh sold in the most recent quarter.

A.	Number of gallons consumed		11,653	gallons	I
B.	Current fuel price		\$	5.13	\$/gallon I
C.	Total Fuel Costs	A x B	\$	59,731	I
D.	kWh sold		119,962	kWh	I
E.	Small Facility Power Purchase Rate	C / D	49.79	¢/kWh	I

Tariff Advice: TA184-72

Effective:

Issued by : **TDX MANLEY GENERATING, LLC**

By : John G. Lyons

Title : TDX Power President

RECEIVED

SEP 02 2022

STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA

RCA No. 72 48th Sheet No. 54
Cancelling 47th Sheet No. 54

TDX MANLEY GENERATING, LLC

ELECTRIC UTILITY
SCHEDULE OF FEES AND CHARGES

DETERMINATION OF COST OF POWER ADJUSTMENT

1. Estimated fuel costs for 3 months beginning **September 1, 2022**

Source	Estimated Quantity	Estimated Unit Cost	Estimated Total Cost	
Diesel Power (gal)	12,835	\$5.04	\$ 64,689.01	I
Purchased Power			-	
Total			\$ 64,689.01	I

2. Balance in Estimated Cost of Power Balancing Account
as of **August 31, 2022** \$ 5,685.04 I

Balance in Actual Balancing Account
as of **June 30, 2022** \$ (772.36)

3. Total (1) and (2) above \$ 70,374.05 I

4. Estimated retail sales for three months (kWh) 130,712 I

5. Projected cost of power [(3)/(4)] \$ 0.5384 I

6. Base cost of power \$ - /kWh

7. Cost of Power Adjustment [(5) - (6)] \$ 0.5384 /kWh I

Pursuant to U-22-006(8)

Tariff Advice: TA183-72 Effective: **September 1, 2022**

Issued By: TDX Manley Generating, LLC

By: John G. Lyons

Title: TDX Power President

TARIFF SECTION

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RCA No. 72 49th Sheet No. 54
Cancelling 48th Sheet No. 54

TDX MANLEY GENERATING, LLC

ELECTRIC UTILITY
SCHEDULE OF FEES AND CHARGES

DETERMINATION OF COST OF POWER ADJUSTMENT

1. Estimated fuel costs for 3 months beginning **December 1, 2022**

Source	Estimated Quantity	Estimated Unit Cost	Estimated Total Cost	
Diesel Power (gal)	15,226	\$5.13	\$ 78,108.55	I
Purchased Power			-	
Total			\$ 78,108.55	I

2. Balance in Estimated Cost of Power Balancing Account
as of **November 30, 2022** \$ (4,643.20) R

Balance in Actual Balancing Account
as of **September 30, 2022** \$ (1,480.86)

3. Total (1) and (2) above \$ 73,465.35 I

4. Estimated retail sales for three months (kWh) 174,495 I

5. Projected cost of power [(3)/(4)] \$ 0.4210 R

6. Base cost of power \$ - /kWh

7. Cost of Power Adjustment [(5) - (6)] \$ 0.4210 /kWh R

Tariff Advice: TA184-72 Effective:

Issued By: TDX Manley Generating, LLC

By: John G. Lyons

Title: TDX Power President